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GAIN Report

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Required Report - public distribution

Date: 1/10/2012

GAIN Report Number: TH2003

Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH2003 Domestic and export prices further declined 2-3 percent from the previous week due to a lack of enquiries. Thai rice exporters expect a reduction in Thai rice exports to 7.0 million tons in 2012 as the Paddy Pledging program makes Thai rice price uncompetitive.

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Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Jan. 9, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,055	-	1,070	-	1,050	1,010	-	1,046	1,035
WR 100 B	550	-	570	-	565	565	560	562	574
PB 100%	520	-	560	-	560	560	550	550	564
PB 5%	515	-	555	-	555	555	545	545	556
WR 5%	530	-	560	-	550	550	550	548	562
WR 10%	525	-	-	-	545	545	-	538	550
WR 15%	520	-	-	-	540	540	-	533	545
WR 25%	515	-	-	-	535	535	-	528	540
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	500	-	-	-	520	525	-	515	530
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 31.5 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices further declined 2-3 percent from the previous week due to lacks of enquiries. Foreign buyer continued to purchase Indian and Vietnamese rice which is \$110-130/MT cheaper. Thai rice exports have gradually declined since the implementation of the Paddy Pledging program in October 2011, from a prior monthly average of 1.0 million tons to a 5-year low of 0.4 million tons in December 2011. Most rice exporters are pessimistic about this year's Thai rice export potential which is expected at 7.0 million tons, down 30% from 10.5 million tons in 2011, due to the aggressive Paddy Pledging program which makes Thai rice prices uncompetitive with Indian and Vietnamese white rice.

Presently, the Government is holding old-crop intervention stocks of around 2.0 million tons. Meanwhile, the current Paddy Pledging Program has accepted a total of 4.9 million tons of paddy (3.2 million tons milled equivalent) from October 7, 2011 – January 7, 2012 (Table 2). This accounts for 22.7 percent of the expected total MY2011/12 main-crop production of 21-22 million tons of paddy

(14.5 million tons milled equivalent). The Government expects the program will finally absorb only 7.0 million tons of paddy (4.6 million tons milled equivalent), by the end of the program in February 29, 2012, far below its formally reported target of 10.0 million tons of paddy.

Table 2. MY2011/12 Main-Crop Paddy Pledging Program							
Unit: Metric Ton							
Region	Number of Farmer	Amount of Paddy					
		Fragrant Rice			White Rice	Glutinous Rice	Total
		Homali	Provincial	Pathumthani			
North	252,269	266,336	248,979	2,790	1,091,262	147,878	1,757,245
Northeast	498,087	1,791,292	-	67	78,244	65,497	1,935,100
Central	134,999	-	60,800	11,890	1,096,599	-	1,169,289
Total	885,355	2,057,628	309,779	14,747	2,266,105	213,375	4,861,634
Note: As of October 7, 2011 - January 7, 2012							
Source: Department of Internal Trade, Ministry of Commerce							

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for January 2-8, 2012 totaled 61,310 tons. Exports of white rice and parboiled rice during January 1 – 8, 2012 totaled 62,410 tons, down 63.6 percent from 171,527 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – December 29, 2011 amounted to 10,510,645 tons, up 17.7 percent from 8,930,666 tons in the previous year.

Table 3: Weekly rice exports (excluding fragrant rice)					
WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 30	85,087	101,240	7,640	5,143	48.5
Nov 6	74,610	85,813	7,711	5,302	45.5
Nov 13	81,265	82,412	7,793	5,471	42.4
Nov 20	79,201	80,041	7,874	5,643	39.5
Nov 27	78,832	78,477	7,951	5,796	37.2
Dec 4	81,073	80,093	8,032	5,961	34.7
Dec 11	56,254	73,840	8,088	6,113	32.3
Dec 18	67,397	70,889	8,155	6,303	29.4
Dec 25	77,227	70,488	8,233	6,475	27.1
Dec 31	57,810	64,672	8,291	6,649	24.7
Jan 1, 2012	1,100	-	1	2	-40.5
Jan 8	61,310	-	62	172	-63.6

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Source: Board of Trade of Thailand

Table 4: Weekly private registered rice export sales			
Movement (MT)	Dec 19-23 (Revised)	Dec 26-30, 2011 (Preliminary)	Jan 2-6, 2012 (Preliminary)
Weekly sales	100,140	63,102	N.A.
4 week sum	351,887	312,775	N.A.
4 week mov. avg.	87,972	78,194	N.A.
Year-to-date sales	8,836,241	8,899,343	N.A.

End of report

